

# SENATE RECORD VOTE ANALYSIS

104th Congress  
1st Session

Vote No. 516

October 26, 1995, 11:40 p.m.  
Page S-15831 Temp. Record

## BALANCED BUDGET RECONCILIATION/Tax Deduction for College Costs

**SUBJECT:** Balanced Budget Reconciliation Act of 1995 . . . S. 1357. Domenici motion to table the Biden motion to commit the bill to the Committee on Finance with instructions.

### ACTION: MOTION TO TABLE AGREED TO, 55-44

**SYNOPSIS:** As reported, S. 1357, the Balanced Budget Reconciliation Act of 1995, will result in a balanced budget in seven years, as scored by the Congressional Budget Office (CBO). The bill will also provide a \$245 billion middle-class tax cut, \$141.4 billion of which will be to provide a \$500 per child tax credit.

**The Biden motion to commit** the bill to the Finance Committee with instructions would require the Committee to report the bill back within 3 session days with a provision to provide a tax deduction of up to \$10,000 per year for the costs of a college education. Individual taxpayers with adjusted gross income of not more than \$90,000 and married taxpayers with adjusted gross income of not more than \$120,000 would be eligible for the deduction. The Finance Committee would be directed to offset the cost of this new deduction by limiting the growth of tax expenditures, except for the deductions for mortgage interest, health insurance, State and local taxes, and charitable contributions.

Debate on any debatable motion to a reconciliation bill is limited to 1 hour. By unanimous consent, debate was further limited on the Biden motion. Following debate, Senator Domenici moved to table the Biden motion. Generally, those favoring the motion to table opposed the motion to commit; those opposing the motion to table favored the motion to commit.

**Those favoring** the motion to table contended:

With great regret we must oppose the Biden amendment. Our opposition is due to the offset. It is easy to talk vaguely about cutting tax expenditures, and public support for such cuts can be quickly won with the rhetorical flourish of calling them tax loopholes, but such support just as quickly evaporates when the public finds out the details. The reality is that most tax expenditures exist mainly to benefit middle-class Americans. A few of those would be exempted by the Biden motion, but others would not be.

(See other side)

YEAS (55)			NAYS (44)			NOT VOTING (0)	
Republicans (51 or 96%)	Democrats (4 or 9%)		Republicans (2 or 4%)	Democrats (42 or 91%)		Republicans (0)	Democrats (0)
Abraham	Helms	Feingold	Cohen	Akaka	Inouye		
Ashcroft	Hutchison	Heflin	Specter	Baucus	Johnston		
Bennett	Inhofe	Mikulski		Biden	Kennedy		
Bond	Jeffords	Robb		Bingaman	Kerry		
Brown	Kassebaum			Boxer	Kerry		
Burns	Kempthorne			Bradley	Kohl		
Campbell	Kyl			Breaux	Lautenberg		
Chafee	Lott			Bryan	Leahy		
Coats	Lugar			Bumpers	Levin		
Cochran	Mack			Byrd	Lieberman		
Coverdell	McCain			Conrad	Moseley-Braun		
Craig	McConnell			Daschle	Moynihan		
D'Amato	Murkowski			Dodd	Murray		
DeWine	Nickles			Dorgan	Nunn		
Dole	Pressler			Exon	Pell		
Domenici	Roth			Feinstein	Pryor		
Faircloth	Santorum			Ford	Reid		
Frist	Shelby			Glenn	Rockefeller		
Gorton	Simpson			Graham	Sarbanes		
Gramm	Smith			Harkin	Simon		
Grams	Snowe			Hollings	Wellstone		
Grassley	Stevens						
Gregg	Thomas						
Hatch	Thompson						
Hatfield	Thurmond						
	Warner						

#### EXPLANATION OF ABSENCE:

1—Official Business  
2—Necessarily Absent  
3—Illness  
4—Other

#### SYMBOLS:

AY—Announced Yea  
AN—Announced Nay  
PY—Paired Yea  
PN—Paired Nay

For instance, the Biden motion would not bar limitations on the deduction for pension contributions, which is one of the largest deductions there is. Not all tax expenditures are for middle-class Americans, of course; the research and development tax credit is one example. Senators nevertheless strongly support that credit because they recognize that to stay competitive American businesses must stay on the cutting edge. Further, they recognize that in recent years American businesses have been under-investing in research and development. Our point is that most tax expenditures have very broad bases of support, and in most cases they are specifically designed to help the same middle-class Americans whom the Biden amendment seeks to help. To a large extent, the Biden motion would simply take money from middle-class Americans' left pocket and put it in their right pocket. If this motion spelled out in a more orderly way exactly how it would limit existing tax expenditures, we might be inclined to support it. As presented, though, it is unacceptable, so we urge its rejection.

**Those opposing** the motion to table contended:

Everyone talks about middle-class tax relief. The Biden amendment would actually give it. Admittedly, this bill has some relief for average Americans, most notably the \$500 per child tax credit, but it also has new burdens for them as well, particularly the Medicare and Medicaid cuts. We think that average, hard-working Americans deserve a bigger break. Accordingly, we have proposed the Biden amendment to give a \$10,000 per year tax deduction for college expenses. The reason for this particular deduction is that the escalating costs of a college education are putting it beyond the reach of millions of Americans. Part of the American dream has always been to be able to send one's kids to college. That dream is fast becoming a memory. In 1980, it took 4.5 percent of the median household income to pay for tuition and fees alone to go to a public university. Today it takes 8.4 percent. To pay for this new tax deduction, the Biden amendment would simply require a slowing in the rate of growth of other tax deductions. A few deductions, such as the home interest deduction, would be exempt, but all the rest would be on the table. Americans may favor those other tax deductions, and may want them to get bigger, but we are confident that they would be more than willing to accept a little less growth in order to gain this new college costs deduction. We urge our colleagues to provide true middle-class tax relief by voting in favor of the Biden amendment.